

## Notes on Schedule 2

[22153] (page 1)

## Pennsylvania Water &amp; Power Company

Gross Income, its Disposition and Income per  
Share of Common Stock  
1911-1945

## 1911

The plant was not considered in operation until 1911. 84,950 shares of \$100 par value common stock had been issued in 1910.

\$30,000 "transferred to contingent fund" by credit to surplus is excluded from gross income. The purpose of the transfer to "contingent fund" is not explained in the report for 1911. The income statement includes no provision for depreciation. At the end of 1911 \$7,680,000 principal amount of 5% bonds, with interest requirements of \$384,000, were outstanding, but no adjustment is made for this difference.

The 1910 report stated that expected income from signed contracts would reach \$700,000, with capacity available for additional contracts. Not expected to be reached in the first year of operation. The income of last half of 1911 was double that of the first half. Results for the year obviously do not indicate normal operation. Development of additional storage and an additional unit of 16,000 hp. to be installed during 1912 was being planned by the engineers.

A pro-forma statement on the basis of the \$700,000 is as follows:

Normal power sales	\$700,000
Operating expense and taxes (a)	100,000
Contingency appropriation (against revenue variation, etc.)	30,000
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Balance for investors	\$570,000
Bond requirements (including bonds to be sold in 1912)	396,500
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Balance for common stock	\$173,500
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Per share on 84,950 shares	\$ 2.042
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(a) Allowing for increased maintenance for plant operating on normal basis

#### 1912

\$50,000 "transferred to contingent account" is excluded from gross income. No provision was made for depreciation by charges to operating expenses or otherwise.

The additional unit of 16,000 hp. was placed in operation on November 1. A contract was entered into for supply to the Edison Electric Company at Lancaster, Pa., to be effective May 1, 1913, and it was announced that an additional unit of 16,000 hp. capacity (seventh) would be installed in 1913.

#### 1913

The annual report states that "net revenues" of \$302,662 (after interest on first mortgage bonds) was "disposed of as follows:

1. Transferred to depreciation fund	\$150,000
2. Transferred to sinking fund	100,000
3. Transferred to contingent fund	50,000
Surplus carried to profit and loss	2,662."

[22154] (page 2)

This disposition includes the first provision for depreciation and an advance contribution to the sinking fund. The provision of \$250,000 (\$150,000 plus \$100,000 out of a \$200,000 payment by the Pennsylvania Railroad) as the equivalent of depreciation expense for the period of three years may suggest an annual allowance of from \$80,000 to \$90,000. It was reported that transmission improvements were expected to be "paid for" out of savings of energy currently being lost on account of overloading of existing circuits. Deduction is not made for both depreciation and contingent reserve appropriations.

Therefore, reported income available is adjusted as follows:

Reported gross income	\$709,767
Less provision for depreciation	79,767
	<hr/>
Adjusted gross income	\$630,000
Bond requirement (including \$185,000 of treasury bonds)	434,500
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Balance for common stock	\$195,500
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Per share on 84,950 shares	\$ 2.301
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It was announced that the seventh unit was placed in operation on November 1, that the eighth unit (16,000 hp.) would be installed during 1914 and that the stock of the company would be "placed on a dividend basis in the near future."

#### 1914

Reported net income in the amount of \$411,978, together with a balance in earned surplus of \$18,532 at the beginning of the year, was disposed of by the declaration of



common dividends in the amount of \$339,800 and a transfer of \$90,000 "to contingent fund," leaving a balance of \$710 in earned surplus.

The annual report included an explanation of the contingent fund as a reserve to equalize variations in water flow. The year 1914 was one of low water; \$107,340 was charged to "contingent fund" and credited, apparently, to operating revenue. The eighth unit (16,000 hp.) was placed in operation on December 16, making a total of 112,000 hp. It is stated that no further construction expenditures were contemplated before 1917.

Reported gross income of \$855,552 is adjusted by deduction of the contingent fund provision of \$90,000. No provision was made for depreciation.

If the reported income deductions were adjusted to a year end basis, the balance for common stock would be \$306,800 and the earnings per share would be \$3.61 instead of \$3.79.

#### 1915

The annual report states that additional construction must be considered during 1916 to increase the capacity of the plant.

\$73,164.57 was reported as "transferred to contingency fund". Since no provision is made for depreciation, reported gross income is adjusted by deducting approximately \$90,000 instead of \$73,164.57. If the reported income deductions of \$514,278 were adjusted to a year end basis (\$521,350), the balance for common stock would be \$336,950 and the earnings per share would be \$3.97.

[22155] (page 3)

#### 1916

Reported net income in the amount of \$619,850, together with a balance in earned surplus of \$21,798 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$382,275, a transfer



of \$100,000 to "construction account," and a transfer of \$150,000 to "depreciation fund," leaving a balance of \$9,373 in earned surplus.

No construction was reported other than deepening of tailrace, which was being paid for out of available cash. Reported gross income of \$1,141,000 is adjusted by deduction of \$150,000, the amount credited to depreciation.

If the reported income deductions of \$521,150 were adjusted to a year end basis (\$518,550), the balance for common stock would be \$472,450 and the earnings per share would be \$5.56.

The quarterly dividend rate was increased to 1¼% beginning with the third quarter of 1916.

#### 1917

Reported net income in the amount of \$697,717, together with balance in earned surplus of \$9,373 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$424,750, a transfer of \$150,000 to "contingent account," a transfer of \$75,000 to "reserve for sinking fund," and a charge of \$50,500 representing "Red Cross subscription," leaving a balance of \$6,840 in earned surplus.

Gross income is adjusted by excluding the \$150,000 credited to the "contingent fund".

If the reported income deductions of \$518,550 were adjusted to a year end basis (\$515,600), the balance for common stock would be \$550,600 and the earnings per share would be \$6.48.

#### 1918

Reported net income in the amount of \$737,496, together with a balance in earned surplus of \$6,840 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$467,225, a transfer of \$150,000 to "contingent account," a transfer of \$75,000 to "reserve for sinking fund," and a charge of \$45,500 repre-

senting "Red Cross subscription," leaving a balance of \$6,611 in earned surplus. Reported gross income is adjusted by excluding the \$150,000 credited to the "contingent fund".

It was reported that sales to utility customers provide an increasing load factor because of decreasing proportion of total load carried by hydro plant.

If the reported income deductions of \$518,340 were adjusted to a year end basis (\$532,850), the balance for common stock would be \$572,950 and the earnings per share would be \$6.75.

The quarterly dividend rate was increased to 1½% beginning with the third quarter of 1918.

[22156] (page 4)

1919

Reported "net revenue" of \$766,406, together with a balance in earned surplus of \$6,611 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$509,700, a transfer of \$150,000 to "contingent account," a transfer of \$75,000 to "reserve for sinking fund," and a charge of \$35,000 representing a donation to United War Work, Inc., leaving a balance of \$3,317 in earned surplus.

Gross income is adjusted by excluding the \$150,000 credited to "contingent fund."

1920

Reported "net revenue" of \$815,410, together with a balance in earned surplus of \$3,317 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$552,175, a transfer of \$170,000 to "depreciation reserve," and a transfer of \$95,000 to "contingent account," leaving a balance of \$1,552 in earned surplus.

The annual report indicates adoption of depreciation accounting. The withdrawals from "contingent fund"



have been insignificant and it is reasonable to consider further credits to the "contingent account" as segregations of surplus. Reported gross income is adjusted by excluding the \$170,000 credited to the depreciation reserve but not the \$95,000 transferred to the "contingent account".

If the reported income deductions of \$528,550 were adjusted to the year end basis (\$523,950), the balance for common stock would be \$650,050 and the earnings per share would be \$7.65.

A new contract with the Baltimore Company provided higher charges for power. The need for keeping rates favorable to the customers, as a means of assuring permanence of the market, was recognized. Attention was called to the settling of "river coal" in the reservoir and the possibility of its recovery on an attractive basis.

The quarterly dividend rate was increased to 1¾% beginning with the third quarter of 1920.

#### 1921

Reported "net revenue" of \$841,477, together with a balance in earned surplus of \$1,552 at the beginning of the year, was disposed of by the declaration of common dividends in the amount of \$594,650, a transfer of \$170,125 to "depreciation reserve" and a transfer of \$75,000 to "sinking fund reserve," leaving a balance of \$3,254 in earned surplus.

Reported gross income is adjusted by excluding the \$170,125 credited to the depreciation reserve.

If the reported income deductions of \$524,938 were adjusted to the year end basis (\$536,200), the balance for common stock would be \$660,100 and the earnings per share would be \$7.70.

The contingent fund was charged on account of the subnormal river flow during 1921. The recovery of river coal was started and a three-way contract involving the traction load in Baltimore was entered into.



[22157] (page 5)

1922

The reported "balance brought down" (revenue less expenses, taxes and maintenance) of \$1,456,400 is adjusted by deducting \$173,210 transferred to depreciation reserve and \$80,000 transferred to "contingent fund" by charges to earned surplus. Because of low water conditions \$362,900 was withdrawn from the contingent fund. Therefore, the inclusion of the transfer to "contingent fund" is reconsidered for this year.

If the adjustment of gross income were limited to the charge for depreciation and if the reported income deductions of \$535,144 were adjusted to the year end basis (\$551,950), the balance for common stock would be \$731,250 and the earnings per share would be \$8.61.

It was reported that construction of a steam plant to burn river coal and completion of the hydroelectric development were being considered.

1923

Frequency converter equipment of 13,000 hp. was reported installed. Two additional generating units of 20,000 hp. each (66 instead of 25 cycle), were under construction, and were expected to be completed by April 1, 1924. Agreements to be effective April 1, 1924 were made with the Edison Light and Power Company of York, Pa. and with the Chester Valley Electric Company of Coatesville, Pa., for wholesale delivery of power, and related transmission lines were under construction.

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$1,530,024; \$175,410 was transferred to depreciation reserve and \$93,000 to "contingent fund" by charges to earned surplus. The balance in the "contingent fund" is \$730,500 and income is not adjusted for the additional transfer.

Dividends were paid on 12,743 additional \$100 par value shares, outstanding during the third and fourth quarters, making a total of 97,693 shares.

Reported income is adjusted as follows:

Gross revenue		\$2,124,400
Expenses	\$594,400	
Depreciation	175,400	769,800
		<hr/>
Balance for investors		\$1,354,600
Bond requirements		593,900
		<hr/>
Balance for common stock		\$760,700
		<hr/>
Per share on 97,693 shares		\$ 7.787
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1924

It was reported that the last two hydroelectric units had gone into operation and that the decision to build a steam plant with 30,000 hp initial capacity to use river coal had been taken. A new subsidiary was formed to build and operate the plant (Holtwood Power Company).

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$1,912,107; \$210,010 was transferred to depreciation reserve and \$130,000 to "contingent fund" by charges to earned surplus.

Dividends were paid on 9,769 additional \$100 par value shares, outstanding during the third and fourth quarters, making a total of 107,462 [22158] (page 6) shares (a premium of \$122,113 was realized from the sale of the additional 9,769 shares).



Reported income is adjusted as follows:

Gross revenue		\$2,686,500
Expenses	\$774,400	
Depreciation	210,000	984,400
		<hr/>
Balance for investors		\$1,702,100
Bond requirements		755,050
		<hr/>
Balance for common stock		\$ 947,050
		<hr/>
Per share on 107,462 shares		\$ 8.81
		<hr/> <hr/>

### \* 1925

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$2,077,113; \$220,850 was transferred to depreciation reserve and \$140,000 to "contingent fund" by charges to earned surplus.

The steam plant was in operation and the year was one of low river flow. Reported income is adjusted as follows:

Gross revenue		\$2,960,400
Expenses	\$883,300	
Depreciation	220,800	1,104,100
		<hr/>
Balance for investors		\$1,856,300
Bond requirements		750,000
		<hr/>
Balance for common stock		\$1,106,300
		<hr/>
Per share on 107,462 shares		\$ 10.29
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### 1926

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$2,146,953; \$230,053 was transferred to depreciation reserve and \$200,000 to "contingent fund" by charges to earned surplus.



The year was one of supernormal river flow; agreement as to tail-water level was reached with Susquehanna Power Company. Reported income is adjusted as follows:

Gross revenue		\$3,103,700
Expenses	\$956,700	
Depreciation	230,100	1,186,800
		<hr/>
Balance for investors		\$1,916,900
Bond requirements		745,100
		<hr/>
Balance for common stock		\$1,171,800
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Per share on 107,462 shares		\$ 10.90
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1927

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$2,252,526; \$243,144 was transferred to "reserve for renewals and replacements" and \$200,000 to "contingent fund" by charges to earned surplus.

The year was one of above normal river flow. The reported income increased somewhat because of the merger of Holtwood Power Company and Pennsylvania Water & Power Company late in 1927 and the inclusion of the [22159] (page 7) income of Holtwood instead of the dividends received by Pennsylvania. Refunding of the Holtwood Company bonds at a saving was prospective.

Preliminary work and surveys under way on the Safe Harbor project; the land and riparian rights were owned. A new forty-three year contract was entered into with Consolidated Gas Electric Light and Power Company of Baltimore, which included provision for adjustment for charges in "factors entering into determination of the value of power supplied."

Effective May 31, 1927 the outstanding 107,462 \$100 par value common shares were changed to stock without

par value on the basis of four shares of new stock for each share of old stock. (Prices of the new shares reported for July) Common dividends were paid at the rates of 2% for the first two quarters, and 62½ cents for the second two quarters of the year.

Reported income is adjusted as follows:

Gross revenue		\$3,525,300
Expenses	\$1,272,800	
Depreciation	243,100	1,515,900
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Balance for investors		\$2,009,400
Bond requirements		740,300
		<hr/>
Balance for common stock		\$1,269,100
		<hr/>
Per share on 429,848 no par shares		\$ 2.952
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1928

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$2,853,060, \$345,574 was transferred to "reserve for renewals and replacements" and \$150,000 to "miscellaneous reserves" by charges to earned surplus.

The "contingent fund" was renamed the "equalization reserve" and \$300,000 transferred to that account was not shown in the income statement.

The year was one of above normal river flow. The 6% bonds of Holtwood were refunded early in the year by 4½% Series B bonds.

A part of the increased amount shown as gross income was the result of including in the parent company accounts for the full twelve months of 1928 items which previously had been shown in a separate statement of Holtwood Power Company.

Engineering, design, surveys and property acquisitions continued for the Safe Harbor project.

Reported income is adjusted as follows:		
Gross revenue		\$4,388,100
Expenses	\$1,535,000	
Depreciation	345,600	1,880,600
		<hr/>
Balance for investors		\$2,507,500
Bond requirements		845,000
		<hr/>
Balance for common stock		\$1,662,500
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Per share on 429,848 shares		\$ 3.868
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[22160] (page 8)

1929

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$3,069,683; \$352,102 was transferred to "reserve for renewals and replacements" and \$120,000 to "miscellaneous reserves" by charges to earned surplus. The Safe Harbor Water Power Corporation was organized and construction was under way.

The amount of \$352,102 is deducted from \$3,069,683 to obtain the statement of gross income.

The quarterly dividend rate was increased from \$0.625 to \$0.75 for the last quarter of 1929.

1930

The reported "balance brought down" (revenue less expenses, taxes and maintenance) was \$3,210,219; \$355,147 was transferred to "reserve for renewals and replacements," \$400,000 to "equalization reserve," and \$120,000 to "miscellaneous reserves" by charges to earned surplus.

An unprecedented drought in 1930 resulted in the lowest "stream flows ever recorded in the eastern central states." Substantial withdrawals were made from the stabilizing reserve but more was credited than was taken



out. Attention was called to the fact that \$161,193 more was paid out in common dividends than during 1929.

Reported income is adjusted as follows:

Gross revenue		\$4,835,600
Expenses	\$1,625,300	
Depreciation	335,200	1,980,500
		<hr/>
Balance for investors		\$2,855,100
Bond requirements		914,100
		<hr/>
Balance for common stock		\$1,941,000
		<hr/>
Per share on 429,848 shares		\$ 4.416
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1931

Reported "net revenues" of \$3,096,304 do not require adjustment, but bond interest in the amount of \$1,066,800 is substituted for the actual requirements of \$1,040,163.

Under a new power agreement dated June 1, 1931 the annual payments of Consolidated ~~to~~ Pennsylvania and of Pennsylvania to Safe Harbor took "the form of annual sums independent of the amount of output. Hence it will no longer be necessary for your company to equalize its earnings to eliminate the effect of variations in river flow as heretofore. . . . The new contractual arrangement with the Consolidated Company covers a period of forty-eight years and constitutes virtually a guarantee of earnings on your Company's capital stock, since all the payments which the Consolidated Company is obligated to make to your Company are an operating expense of that company and thus come ahead of the dividends on its own preferred and common stock." (Annual Report).

Following the power agreements of 1931 the equalization reserve was reduced and the excess carried to "miscellaneous reserves," where it was available for write-down of unamortized debt discount and expense. A con-

tingent liability to Consolidated Gas Electric Light and Power Company of Baltimore until 1937 was reserved for and a twenty year agreement for Electrification of the Pennsylvania Railroad was announced on October 7.

[22161] (page 9)

The first two units of the initial installation of six units at Safe Harbor began to deliver power to Baltimore in December.

1932

No adjustment of reported income is required. It is stated that the issuance of \$5 preferred stock has been authorized and that a transmission line to Washington is under construction. The Safe Harbor Company went on a normal operating basis as of July 1.

1933

3,829 shares of \$5 preferred stock, with total dividend requirements of \$19,145 were sold to the common stockholders through subscription rights (offered in February, 1933).

No adjustment is made to reported income. If bond and preferred stock requirements were adjusted to the year end basis the result would be as follows:

Gross income		\$3,169,600
Requirements of senior securities		
Bonds	\$1,055,400	
Preferred	19,100	1,074,500
		<hr/>
Balance for common stock		\$2,095,100
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Per share on 429,848 shares		\$ 4.87
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1934

No adjustment of reported income is required. Plans for selling additional preferred stock were announced.

1935

An additional 17,664 shares of preferred stock were sold privately during April, 1935, making a total of 21,493 shares outstanding on which the annual dividend requirements were \$107,465.

Reported income is adjusted by substituting \$107,465 for the actual preferred dividend requirements of \$85,385. For the last quarter of 1935 the annual dividend rate was increased from \$3.00 to \$4.00.

1936

No adjustment of reported income is required. Earnings were affected by the worst ice and flood conditions (March) in the Company's experience. A retirement plan is placed in effect and provision made for past service liability.

1937

No adjustment of reported income is required. The second 220 kilowatt line from Safe Harbor to Baltimore was completed. For the first quarter of 1937 the dividend rate was increased to \$4.50 per year. Revised system of accounts prescribed by the Federal Power Commission and the Pennsylvania Public Utility Commission effective January 1.

1938

No adjustment of reported income is required.

On September 2 the Federal Power Commission adopted an order directing Pennsylvania Water & Power Company to show cause why a proceeding should [22162] (page 10) not be instituted against the Company for operat-



ing the hydroelectric facilities without a license granted pursuant to the Federal Power Act.

On November 1 the Federal Power Commission instituted an investigation with respect to navigability of the Susquehanna River and the authority under which the Pennsylvania Water & Power Company's facilities were maintained.

Towards the end of 1938 the "reserve for renewals and replacements" reached 15% and under the operation of the contract with Consolidated the operating income of Pennsylvania Water & Power Company decreased by \$22,990 during the period.

1939

The Federal Power Commission issued an order against Safe Harbor Water Power Corporation, dated July 25, instituting a proceeding to determine if the charges under the contract for electric service were unreasonable.

At the instance of the Maryland Commission a supplemental agreement was entered into on September 29 with Consolidated in lieu of a provision in the 1931 contract which reduced the charges for power by approximately \$750,000 a year and "net earnings (after income taxes) available for dividends by approximately \$600,000 a year".

On November 3 the Federal Power Commission issued an order directing the Company to file with the Commission an application for a license to operate and maintain the Holtwood project. The Annual Report for 1939 states "If it is ultimately established that your Company must accept such a license, then the value of the Company's Holtwood plant may be materially adversely affected both because its 'net investment' may actually be materially less than either the present fair value or present book value of the property in question and also because the Commission may not accept as satisfactory proof the only now available evidence of actual expenditures made many years ago."

The reported gross income of \$3,289,192 is subject to the following adjustment on account of the reductions in the charges to Baltimore for power:

Reported Gross Income		\$3,289,192
Effect of agreement effective December 1, 1939	\$600,000	
Less effect of supplemental agreement effective through- out 1939	355,147	
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Difference	\$244,853	
Less effect of further reduction for month of December	20,404	220,449
	<hr/>	<hr/>
Difference		\$3,068,743
Less adjustment of income taxes for reduction of inter- est (at 20%)		67,590
		<hr/>
Adjusted gross income		<u><u>\$3,001,153</u></u>

3¼% refunding mortgage (due 1964) bonds in the amount of \$10,900,000 were sold December 22, 1939 to provide funds for the retirement of the previously outstanding 5% bonds; 3¼% mortgage bonds (due 1970) in the amount of \$10,962,000 were sold in March, 1940, to provide funds for the redemption of [22163] (page 11) a like amount of first mortgage 4½% bonds. The pro-forma interest requirements of these refunding bonds was \$710,500.

1940

On February 8 the Company filed in the Court of Appeals a petition for review of the Federal Power Commission order requiring Pennsylvania Water & Power Company to file an application for a license.

On June 11 the Federal Power Commission issued an order reducing the rates charged by Safe Harbor to Consolidated and Pennsylvania in an amount of approximately \$350,000 per year.

On September 10 Safe Harbor filed in the Circuit Court of Appeals a petition for review of the rate order of the Federal Power Commission.

Net income as reported was after an income deduction of \$145,367 for amortization over a sixty-one month period beginning March 1, 1940, of debt discount, premium and expense applicable to the Series B bonds redeemed as of March 1, 1940. Income deductions (after consideration of the refunding) are adjusted by \$90,258, determined by discounting \$145,367 at 10% for five years.

The balance available for common stock was approximately \$2,221,000 and the earnings per share were about \$5.17 on the basis of income as reported to the Federal Power Commission.

#### **1941**

On October 28 the Circuit Court of Appeals affirmed the order of the Federal Power Commission directing Pennsylvania Water & Power Company to apply for a license. The Company appealed to the United States Supreme Court.

On December 2 the order of the Federal Power Commission directing Safe Harbor to reduce its rates was set aside by the Circuit Court of Appeals as beyond the jurisdiction of the Commission.

Income deductions are adjusted by \$119,145, determined by discounting at 10% for four years the charge of \$174,440 for amortization of debt discount, premium and expense related to the Series B bonds redeemed March 1, 1940.

The balance available for common stock was approximately \$2,177,000 and the earnings per share were about



\$5.06 on the basis of income as reported to the Federal Power Commission.

1942

On February 16 the Supreme Court refused to review the decision of the Circuit Court of Appeals affirming the order of the Federal Power Commission requiring Pennsylvania Water & Power Company to apply for a license.

On April 6 the Supreme Court refused to review the decision of the Circuit Court of Appeals which set aside a rate order of the Federal Power Commission with respect to Safe Harbor, and as a consequence, Safe Harbor collected the full contract rates.

Reported gross income of \$3,100,844 is adjusted by deducting \$80,000 of other income, consisting of a dividend of \$0.80 per share received from Safe Harbor Water Power Corporation in adjustment "for the lesser dividends received in 1941 from that Corporation." (Annual Report) p. 5.

[22164] (page 12)

Income deductions are adjusted by \$131,059, determined by discounting at 10% for three years the charge of \$174,440 for amortization of debt discount, premium and expense related to the Series B bonds, redeemed March 1, 1940.

The balance available for common stock was approximately \$2,292,000 and the earnings per share were about \$5.33 on the basis of income as reported to the Federal Power Commission.

1943

On December 3 the Federal Power Commission ordered issuance of a major license for the period terminating June 30, 1970, subject to conditions.

Income deductions are adjusted by \$144,165, determined by discounting at 10% for two years the charge of

\$174,440 for amortization and debt discount, premium and expense related to the Series B bonds redeemed March 1, 1940.

1944

On September 1 the Federal Power Commission ordered separate investigations to determine whether the rates of Pennsylvania Water & Power Company and Safe Harbor are just and reasonable.

On December 5 the Pennsylvania Public Utility Commission instituted an investigation on its own motion into the reasonableness of the rates charged by Pennsylvania Water & Power Company.

Income deductions are adjusted by \$158,582, determined by discounting at 10% for one year the charge of \$174,440 for amortization of debt discount, premium and expense related to the Series B bonds redeemed March 1, 1940.

1945

No adjustment.

[22165] (page 13)

*Notes on reported earnings per share*

1931 was the first year in which the income statement contained in the Annual Report to Stockholders included an item labeled "net income". Therefore, the "available per share as reported" is limited to the period 1931 to date.

Moody's, 1932, 347, states earnings per share for prior years as follows:

1931—\$4.78	1928—\$3.84
1930— 4.55	1927— 2.92
1929— 4.37	

Moody's, 1927, 64, states earnings per share for prior years as follows:

1926—\$10.90	1923—\$8.26
1925— 10.41	1922— 8.81
1924— 9.81	1921— 7.90

The above statements by Moody's for the years 1921-1926 show "available for common dividends" after depreciation expense but before credits to contingent account and sinking fund reserve.

Moody's, 1924, 346, states earnings per share for prior years as follows:

1923—\$6.54	1920—\$6.48
1922— 7.86	1919— 7.26
1921— 7.90	1918— 6.92

The above statements by Moody's for the years 1918-1923 show "available for dividends" after credits to depreciation and contingency reserves.



## Schedule 3

Electric and Electric - Combination Utility Earnings - Price Ratios  
 Mean of Medial Four of Six\*  
 January, 1907 to December, 1945

Year	January	February	March	April	May	June	July	August	September	October	November	December
1907	5.37	5.62	5.90	6.16	6.15	6.13	6.13	6.25	6.37	6.40	6.87	6.89
1908	6.54	6.77	6.52	6.31	6.20	6.00	5.88	5.59	5.71	5.53	5.50	5.54
1909	5.62	5.77	5.63	5.61	5.54	5.71	5.80	5.82	5.92	6.07	6.05	6.10
1910	6.49	6.55	6.59	6.76	6.84	6.85	7.13	7.17	7.03	6.91	6.91	7.02
1911	7.13	6.88	6.67	6.60	6.45	6.53	6.52	6.63	6.79	6.72	6.58	6.68
1912	6.52	6.46	6.32	6.27	6.28	6.38	6.36	6.35	6.44	6.41	6.44	6.59
1913	6.69	6.82	6.97	7.00	7.05	7.19	7.02	6.74	6.54	6.70	6.87	6.96
1914	6.78	6.74	6.70	6.85	6.89	6.92	7.09	7.16	7.23	7.35	7.49	7.61
1915	7.67	7.79	7.81	7.78	7.93	8.03	8.08	8.17	7.98	7.70	7.51	7.42
1916	7.33	7.36	7.46	7.62	7.68	7.59	7.57	7.64	7.68	7.47	7.33	7.44
1917	7.68	7.81	8.02	8.19	8.46	8.29	8.32	8.21	8.39	8.77	9.25	9.71
1918	9.49	9.16	9.14	9.27	9.29	9.45	9.45	9.30	9.28	8.80	8.31	8.22
1919	8.32	8.36	8.20	8.20	8.28	8.08	7.94	8.28	8.46	8.41	8.52	8.53
1920	8.62	9.14	9.09	9.08	9.43	9.26	9.37	9.33	9.24	9.07	9.23	9.55
1921	9.33	9.34	9.26	9.12	8.98	9.25	9.10	9.07	8.95	8.87	8.71	8.87
1922	9.08	9.27	9.04	8.85	8.99	9.21	9.48	9.09	8.82	9.02	9.35	9.56
1923	9.66	9.66	9.78	10.04	10.39	10.72	10.92	10.70	10.88	10.79	10.61	10.33
1924	9.84	9.64	9.68	9.66	9.60	9.32	9.04	8.78	8.56	8.66	8.40	8.16
1925	8.16	8.06	8.08	8.03	7.67	7.42	7.32	7.29	7.10	7.05	7.21	7.24
1926	7.25	7.22	7.71	7.82	7.87	7.75	7.63	7.64	7.70	7.77	7.91	7.73
1927	7.86	7.99	7.98	7.85	7.46	7.30	7.33	7.16	6.86	6.71	6.59	6.49
1928	6.46	6.23	6.25	5.93	5.66	6.02	6.07	6.09	5.82	5.90	5.43	5.22
1929	4.66	4.56	4.65	4.63	4.45	4.19	3.66	3.15	3.14	3.87	5.18	5.06
1930	4.93	4.44	4.21	3.90	3.96	4.19	4.38	4.41	4.35	4.76	5.25	5.43
1931	5.18	4.90	4.74	5.00	5.30	5.49	5.21	5.18	5.91	6.81	6.31	7.04
1932	7.15	7.15	6.96	8.14	9.62	10.78	9.51	7.43	6.66	6.85	6.84	6.61
1933	6.57	7.31	7.89	8.42	7.12	6.09	5.97	6.26	7.00	7.40	8.05	8.31
1934	7.63	6.75	7.09	7.21	7.71	7.57	7.95	8.46	8.73	9.07	9.64	9.78
1935	9.75	10.15	9.95	8.99	8.29	7.76	7.32	7.10	7.10	6.79	6.27	6.29
1936	6.01	5.75	5.86	6.06	6.32	5.99	5.62	5.54	5.61	5.64	5.79	5.72
1937	5.61	5.71	6.16	6.50	6.80	7.16	6.94	6.73	7.32	8.04	8.02	8.26
1938	8.36	8.73	9.14	9.07	8.35	8.17	7.42	7.49	7.88	7.20	7.19	7.34
1939	7.22	6.88	6.87	7.55	7.18	7.01	6.85	6.84	7.32	7.01	6.96	7.03
1940	6.94	6.93	7.00	6.96	7.76	8.04	7.58	7.53	7.58	7.65	7.79	7.94
1941	7.74	8.03	8.03	8.31	8.82	8.80	8.76	8.84	8.63	9.03	9.67	10.58
1942	10.32	10.23	10.99	11.53	11.20	10.10	10.09	10.46	10.11	9.31	8.88	8.87
1943	8.38	7.87	7.71	7.74	7.57	7.55	6.99	7.00	6.94	6.91	7.06	7.01
1944	6.94	6.96	6.88	6.87	6.73	6.57	6.52	6.45	6.47	6.40	6.29	6.29
1945	6.14	6.04	5.97	5.90	5.66	5.54	5.59	5.67	5.55	5.30	5.16	5.22

\* Commonwealth Edison Company, Detroit Edison Company, Boston Edison Company, Consolidated Gas Electric Light and Power Company of Baltimore, Pacific Gas and Electric Company and Consolidated Edison Company of New York (as predecessors); 1907 - 1910, inclusive, adjusted.

## Schedule 4

Pennsylvania Water & Power Company  
Experienced Cost of Debt Capital, Computed on a Sinking Fund Basis  
(Amounts computed to-nearest \$100)

Issues Prior to 1923:

(Any uncompensated costs which may have been associated with these issues have been neglected in the following computation).

Issues Refunded in March, 1928, by First and Refunding Series B 4 1/2%, due March 1, 1968:

Offered In:	First and Refunding Series A 5 1/2% due Oct. 1, 1953		Holtwood Series A 6% due Sept. 1, 1954	Total Three Issues
	Nov., 1923	July, 1924	Oct., 1924	
1. Principal amount offered	\$ 2,000,000	\$ 1,000,000	\$ 2,750,000	\$ 5,750,000
2. Discount and Expense at Offering	196,300	40,000	162,800	399,100
3. Net Proceeds at Offering	\$ 1,803,700	\$ 960,000	\$ 2,587,200	\$ 5,350,900
4. Ditto, in percent of Principal Amount	90.18	96.00	94.08	
5. Periods of Amortization (a)	30 years	29 years	30 years	
6. Cost Rate to Maturity (b)	6.225%	5.785%	6.450%	
7. Percent of Principal Amount, After Accumulation of Amortization to Date of Refunding	90.79	96.22	94.32	
8. Proceeds accumulated to Date of Refunding	\$ 1,815,800	\$ 962,200	\$ 2,593,800	\$ 5,371,800
9. Annual Requirement at Date of Refunding	113,000	55,700	167,400	336,100
10. Effective Average Cost Rate of Group of Issues (b)				6.256%
11. Unamortized Discount and Expense at Date of Refunding (Item 1 minus Item 8)				\$ 378,200
12. Call Premium	\$ 195,000		\$ 192,500	387,500
13. Duplicate Interest	none		none	none
14. Tax Savings Due to Refunding Costs (Cr.)	(47,800)		(40,400)	(88,200)
15. Total Amortizable Burden on this Group of Issues at Date of Refunding (Sum of Items 11, 12, 13 & 14)				\$ 677,500
16. Cash Requirement of Refunding (Sum of Items 15 and 8)				\$ 6,049,300
17. Net Proceeds of Refunding Issue (Item 23)				5,703,500
18. Proportion of Old Bonds Refunded from Proceeds of New Issue (Item 17 ÷ Item 16)				94.284%
19. Amortizable Burden Transferred to New Issue (Item 15 x Item 18)				\$ 638,800
20. Balance of Cash Requirement of Refunding, Met from Equity Funds (Item 16 less Item 19)				\$ 345,800

[22167]

Exhibit No. 29

3233



First and Refunding Series B 4 $\frac{1}{2}$ %, due March 1, 1968, Refunded  
in March, 1940, by Refunding and Collateral Trust 3 $\frac{1}{2}$ %, due  
January 15, 1970.

Offered in:	March, 1928	March, 1930	March, 1931	Total, Three Issues
21. Principal amount offered	\$ 6,000,000	\$ 1,750,000	\$ 3,500,000	\$ 11,250,000
22. Discount and Expense at Offering	296,500	210,300	272,000	778,800
23. Net Proceeds of Offering	\$ 5,703,500	\$ 1,539,700	\$ 3,228,000	\$ 10,471,200
24. Unamortized Costs of Refunded Issues Transferred (Item 19)	638,800	-	-	638,800
25. Net Proceeds After Transferred Capital Costs	\$ 5,064,700	\$ 1,539,700	\$ 3,228,000	\$ 9,832,400
26. Ditto, in Percent of Principal Amount	84.41	87.98	92.33	
27. Period of Amortization (a)	40 years	38 years	37 years	
28. Cost Rate to Maturity (b)	5.465%	5.230%	4.960%	
29. Percent of Principal Amount After Accumulation of Amortization to Date of Refunding	86.25	89.33	93.08	
30. Proceeds Accumulated to Date of Refunding	\$ 5,175,000	\$ 1,563,300	\$ 3,257,800	\$ 9,996,100
31. Annual Requirement at Date of Refunding	283,700	81,800	161,600	526,400
32. Effective Average Cost Rate of Entire Series (b)				5.266%
33. Unamortized Discount and Expense at Date of Refunding (Item 21 less Item 30)				\$ 1,253,900
34. Bonds called for Sinking Fund				\$ 268,000
35. Principal Amount of Bonds Refunded				10,962,000
36. Accumulated Proceeds with Respect to Item 35 (Item 30 x Item 35 : Item 21)				9,740,300
37. Unamortized Discount and Expense on Refunded Bonds				\$ 1,221,800
38. Call Premium				328,900
39. Expense and Duplicate Interest				37,700
40. Tax Credit				(212,800)
41. Total Amortizable Burden Applicable to Refunded Bonds				\$ 1,375,600
42. Cash Requirements of Refunding (Sum of Items 36 and 41)				11,115,800
43. Net Proceeds of Refunding Issue (Item 46)				11,305,900
44. Percent of Old Issues Refunded From Proceeds of New				100.0

#### Issues Outstanding at December 31, 1945:

Date Offered	Refunding and Collateral Trust 3 $\frac{1}{2}$ %		
	Series Due Dec. 15, 1964 (c)	Series Due Jan. 15, 1970	Total
	Dec. 22, 1939	Jan. 27, 1940	
45. Principal Amount Offered	\$ 10,900,000	\$ 10,962,000	\$ 21,862,000
46. Premium on Issue	218,000	328,900	546,900
47. Expenses of Issue	(138,500)	(85,000)	(223,500)
48. Net Proceeds at Issue	\$ 10,979,500	\$ 11,305,900	\$ 22,185,400
49. Unamortized Costs Transferred From Refunded Issue (Item 41)	-	1,375,600	1,375,600
50. Net Proceeds After Transferred Capital Costs	\$ 10,979,500 (c)	\$ 9,830,300	\$ 20,809,800
51. Ditto, in Percent of Principal Amount	100.73	89.68	
52. Amortization Period (a)	25 years	30 years	
53. Cost Rate to Maturity (b)	3.210%	3.830%	
54. Remaining Term to Maturity at Dec. 31, 1945 (a)	19 years	24 years	
55. Percent of Principal Amount After Accumulation of Amortization to Dec. 31, 1945	100.57	90.95	
56. Proceeds Accumulated to Said Date	\$ 10,962,100	\$ 9,969,900	\$ 20,932,000
57. Annual Requirements as at Said Dates	351,900	381,600	733,700
58. Effective Average Cost Rate to Maturity on Present Debt Capital (b)			3.505%

#### NOTES:

- (a) Computed to nearest half-year.  
 (b) Computed to nearest .005 percent.  
 (c) The 3 $\frac{1}{2}$  series of 1964 was issued to provide for redemption at maturity of the original 5's of 1940. However, the proceeds of the 1964 series were more than sufficient to provide for the principal amount of the old issue plus the small amount of duplicate interest involved. For this reason, no costs related to the 5's of 1940 remain uncompensated at December 31, 1945.



## Schedule 5

Pennsylvania Water & Power Company  
Experienced Cost of Preferred Stock Capital

	3,829 Shares Issued March, 1933	17,664 Shares Issued April, 1935	Total
Gross proceeds	\$ 373,328	\$ 1,757,568	\$ 2,130,896
Expenses	15,790	53,344	69,134
Net proceeds	\$ 357,538	\$ 1,704,224	\$ 2,061,762
Annual requirements	\$ 19,145	\$ 88,320	\$ 107,465
Effective cost rate	5.35	5.18	5.21

## Schedule 6

Pennsylvania Water & Power Company  
Overall Experienced Cost Of Capital as At December 31, 1945

I. Division of Capitalization Among Security Issues: (b)

Percent of  
Total Capital

## A. Debt capital:

1. Net proceeds, with amortization on sinking fund basis to Dec. 31, 1945, related to original principal amount of bonds now outstanding. (Schedule 4) \$ 20,932,000
2. Less: Proportion applicable to bonds redeemed for the sinking fund.

Original issue	\$ 21,862,000	
Remaining bonds at 12/31/45	20,833,000	
Amount redeemed	\$ 1,029,000	
Proportion of original issue redeemed	4.7068%	985,200

Net proceeds of presently outstanding debt capital

\$ 19,945,800 52.0

## B. Preferred stock capital:

Net proceeds (Schedule 5)

2,061,800 5.4

## C. Equity capital:

1. Balance of capitalization, per books, as at Dec. 31, 1945, after deduction of net proceeds of fixed income securities shown above. (Item D, less Items A and B)
- Total capitalization (Item D, below)

16,349,900 42.6  
\$ 38,358,500 100.0

## D. Statement of total capital at December 31, 1945 (b)

1. Bonds outstanding \$ 20,833,000
2. Preferred stock outstanding 2,130,900
3. Common Stock, stated value 10,868,300
4. Consolidated surplus:
 

Reported amount	\$ 6,298,300	
Less: Amount classified in Accounts 107 as at 1/1/37 (a)	1,772,000	
Total capitalization		\$ 4,526,300

\$ 38,358,500

## Schedule 6 (cont.)

Pennsylvania Water & Power Company  
Overall Experienced Cost of Capital as at December 31, 1945

II. Computation of Overall Experienced Cost of Capital

	<u>Reference</u>	<u>Proportion of Capital Supplied (Sec.1)</u>	<u>Applicable Cost Rates</u>	<u>Product Aggregate</u>
Debt capital	Schedule 4	52.0%	3.50%	1.82%
Preferred stock capital	Schedule 5	5.4	5.21	0.28
Equity capital		<u>42.6</u>	9.25	<u>3.94</u>
Total		100.0%		
Overall cost rate				6.04%

Notes:

- (a) From Statements H of Company's reports on Determination of Original Cost of Electric Plant Pursuant to Electric Plant Instruction 2-D of the Uniform System of Accounts...of the Federal Power Commission:

Items Proposed for Transfer to Earned Surplus -	
Pennsylvania Water & Power Company	\$ (135,222.81)
Susquehanna Transmission Company of Pennsylvania	(423.32)
Pennsylvania Transmission Company	<u>3,754.10</u>
Total	(131,892.03)
Item Proposed to remain in Account 107	<u>1,903,897.74</u>
Total	<u>\$ 1,772,005.71</u>

- (b) On consolidated basis, per Company's annual report.

[22173]

Exhibit No. 30

3239

[22173]

PENNSYLVANIA WATER & POWER COMPANY  
REPLACEMENT COSTS OF CAPITAL

EVIDENCE OF THE FAIR RATE OF RETURN IN RELATION  
TO AN ORIGINAL COST RATE BASE



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## Schedule 7

YIELDS ON PENNSYLVANIA WATER & POWER COMPANY  $3\frac{1}{4}$  PERCENT BONDS  
AND  
MOODY'S INDEX OF YIELDS ON "AA" PUBLIC UTILITY BONDS

Period	"AA" Bonds	PW Bonds	
		Series of 1964	Series of 1970
Jan., 1940	2.94	-	-
Feb.	2.94	2.93	2.98
Mar.	2.92	2.93	2.97
Apr.	2.88	2.85	2.93
May	2.99	2.96	2.93
June	2.99	2.98	2.99
July	2.92	2.93	2.97
Aug.	2.92	2.95	2.96
Sept.	2.88	2.86	2.92
Oct.	2.89	2.83	2.89
Nov.	2.86	2.82	2.88
Dec.	2.85	2.74	2.80
Average	2.92	2.89	2.93
Jan., 1941	2.88	2.82	2.86
Feb.	2.88	2.91	2.96
Mar.	2.87	2.88	2.98
Apr.	2.90	2.92	2.92
May	2.87	2.86	2.99
June	2.84	2.80	2.83
July	2.80	2.73	2.79
Aug.	2.81	2.67	2.73
Sept.	2.81	2.69	2.78
Oct.	2.76	2.68	2.77
Nov.	2.74	2.71	2.74
Dec.	2.85	2.90	2.85
Average	2.83	2.80	2.86
Jan., 1942	2.87	2.84	2.88
Feb.	2.91	2.83	2.86
Mar.	2.92	2.84	2.90
Apr.	2.89	2.81	2.91
May	2.89	2.77	2.84
June	2.89	2.82	2.83
July	2.86	2.84	2.89
Aug.	2.86	2.85	2.90
Sept.	2.85	2.83	2.83
Oct.	2.83	2.81	2.85
Nov.	2.81	2.80	2.86
Dec.	2.83	2.82	2.87
Average	2.87	2.82	2.88

## Schedule 7 (cont.)

YIELDS ON PENNSYLVANIA WATER & POWER COMPANY  $3\frac{1}{4}$  PERCENT BONDS  
AND  
MOODY'S INDEX OF YIELDS ON "AA" PUBLIC UTILITY BONDS

Period	"AA" Bonds	PW Bonds	
		Series of 1964	Series of 1970
Jan., 1943	2.79	2.83	2.84
Feb.	2.76	2.82	2.81
Mar. *	2.75	2.76	2.82
Apr.	2.75	2.72	2.79
May	2.74	2.69	2.76
June	2.71	2.75	2.72
July	2.68	2.71	2.72
Aug.	2.69	2.70	2.76
Sept.	2.70	2.71	2.81
Oct.	2.70	2.75	2.81
Nov.	2.73	2.78	2.81
Dec.	2.77	2.84	2.89
Average	2.73	2.76	2.80
Jan., 1944	2.74	2.82	2.85
Feb.	2.74	2.82	2.80
Mar.	2.72	2.79	2.78
Apr.	2.71	2.78	2.85
May	2.70	2.78	2.78
June	2.70	2.82	2.85
July	2.70	2.79	2.85
Aug.	2.69	2.80	2.82
Sept.	2.69	2.74	2.82
Oct.	2.72	2.70	2.78
Nov.	2.75	2.70	2.76
Dec.	2.72	2.69	2.77
Average	2.72	2.77	2.81
Jan., 1945	2.72	2.69	2.76
Feb.	2.69	2.67	2.75
Mar.	2.67	2.67	2.82
Apr.	2.70	2.67	2.72
May	2.69	2.68	2.79
June	2.65	2.78	2.79
July	2.63	2.83	2.79
Aug.	2.65	2.84	2.86
Sept.	2.66	2.76	2.74
Oct.	2.67	2.77	2.85
Nov.	2.64	2.77	2.83
Dec.	2.62	2.81	2.85
Average	2.67	2.74	2.80
Jan., 1946	2.57	2.75	2.80
Feb.	2.51	2.90	2.82
Mar.	2.49	2.90	2.92
Average	2.52	2.85	2.85



## Schedule 8

Mortgage Bond Issues by Electric and Electric - Combination  
Utilities offered publicly during the Period  
April 1, 1945 to March 31, 1946

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Symbol	Name of Issues	Designation of Issue	Principal Amount Issued	Price to Public (Per Cent of Principal Amount)	Proceeds to Issuer Gross Net (a)	Yield to Maturity at Market Price (%)	Cost Rate to Maturity (%)	Per Cent of Adjusted Gross Income required for Equal and Senior Issues (c)	Date of Offering	Moody's Rating (b)	
BNE	Buffalo Niagara Electric Corporation	First 2-3/4, Nov. 1, 1975	56,929,000	102.06	101.68	100.77	2.65	2.71	22.0	Dec. 13, 1945	Aa
CIF	Central Illinois Electric & Gas Company	First 3, Feb. 1, 1975	14,000,000	103.00	102.55	101.96	2.85	2.95	23.2	Apr. 19, 1945	Baa
CVQ	Central Vermont Public Service Corporation	First 2-3/4, D, Feb. 1, 1975	6,967,000	101.50	100.77	99.76	2.68	2.76	28.4	Apr. 11, 1945	A
CCJ	Cincinnati Gas & Electric Company (The)	First 2-3/4, Oct. 1, 1975	45,500,000	101.00	100.34	99.86	2.70	2.76	18.0	Oct. 18, 1945	Aaa
CLP	Connecticut Light and Power Company (The)	First & Ref., 3, K, Oct. 1, 1980	15,000,000	106.75	105.75	105.25	2.70	2.77	20.2	Oct. 3, 1945	Aaa
CSP	Consumers Power Company	First 2-7/8, Sept. 1, 1975	113,825,000	102.37	101.68	101.23	2.76	2.81	25.7	Sept. 12, 1945	Aa
DTR	Dayton Power and Light Company (The)	First 2-3/4, Oct. 1, 1975	28,850,000	101.62	101.14	100.48	2.67	2.73	17.1	Oct. 25, 1945	Aa
GGP	Georgia Power and Light Company	First 3, Mar. 1, 1975	2,500,000	101.95	101.51	99.51	2.90	3.02	26.8	May 8, 1945	Baa
LSD	Lake Superior District Power Company (g)	First 3, A, Oct. 1, 1975	5,600,000	102.50	100.55	(e)	2.88	(e)	23.0	Nov. 5, 1945	A
MDJ	Madison Gas and Electric Company	First 2-1/2, Jan. 1, 1976	4,500,000	102.25	101.56	99.96	2.39	2.50	15.2	Feb. 8, 1946	Aa
MEQ	Maine Public Service Company (g)	First & Coll. 2-7/8, Oct. 1, 1975	1,200,000 (f)	101.25	100.28	(e)	2.81	(e)	13.4	Dec. 19, 1945	Baa
MNR	Minnesota Power & Light Company	First 3-1/8, Sept. 1, 1975	26,000,000	102.46	101.71	101.19	3.00	3.06	24.2	Sept. 19, 1945	A
MNP	Monongahela Power Company	First 3, Aug. 1, 1975	22,000,000	102.50	101.46	100.91	2.88	2.95	20.7	Aug. 24, 1945	A
MTP	Montana Power Company (The)	First 2-7/8, Oct. 1, 1975	40,000,000	101.00	100.28	99.76	2.83	2.89	19.1	Oct. 24, 1945	A
MSP	Mountain States Power Company (g)	First 3, July 1, 1975	7,500,000	101.95	101.26	(e)	2.90	(e)	20.5	July 13, 1945	Baa
NYR	New York Power and Light Corporation	First 2-3/4, Mar. 1, 1975	50,000,000	102.40	101.80	100.90	2.63	2.71	19.7	Apr. 11, 1945	Aa
NSP	Northern States Power Company (Minn.)	First 2-3/4, Oct. 1, 1975	75,000,000	101.00	100.34	99.87	2.70	2.76	20.6	Oct. 25, 1945	Aa
OD	Ohio Edison Company	First 2-3/4, Apr. 1, 1975	26,089,000	101.00	100.28	99.83	2.70	2.76	22.7	Apr. 11, 1945	A
PJ	Pacific Gas and Electric Company	First & Ref., 3, N, Dec. 1, 1977	49,000,000	105.30	104.80	104.43	2.75	2.79	23.5 (d)	Oct. 18, 1945	Aa
PNP	Pennsylvania Power Company	First 2-7/8, Nov. 1, 1975	9,193,000	102.50	101.85	101.24	2.75	2.81	19.9	Oct. 26, 1945	A
PNR	Pennsylvania Power & Light Company	First 3, Oct. 1, 1975	93,000,000	101.38	100.66	100.40	2.93	2.98	26.6	Oct. 4, 1945	A
PGE	Portland General Electric Company	First 3-1/8, July 1, 1975	34,000,000	102.41	101.18	100.58	3.00	3.10	26.3	July 11, 1945	Baa
QI	Public Service Company of Indiana, Inc.	First 3-1/8, P, Sept. 1, 1975	48,000,000	102.46	101.90	101.33	3.00	3.06	19.3	Sept. 21, 1945	A
QOK	Public Service Company of Oklahoma	First 2-3/4, A, July 1, 1975	22,500,000	99.50	98.78	98.42	2.78	2.83	19.1	Oct. 19, 1945	Aa
SKJ	Sioux City Gas and Electric Company	First & Coll. Tr. 2-3/4, Dec. 1, 1975	8,000,000	100.62	100.08	99.17	2.72	2.79	19.5	Dec. 12, 1945	A
SWE	Southwestern Electric Service Company	First 3-1/8, May 1, 1975	1,550,000	102.25	101.15	(e)	3.01	(e)	17.3	Aug. 29, 1945	Baa
TES	Texas Electric Service Company (g)	First 2-3/4, Mar. 1, 1975	18,000,000	101.00	100.44	(e)	2.70	(e)	11.8	May 3, 1945	Aa
TXR	Texas Power & Light Company	First 2-3/4, May 1, 1975	26,600,000	100.75	100.15	99.48	2.71	2.78	18.3	May 23, 1945	Aa
UEM	Union Electric Company of Missouri	First & Coll. Tr. 2-3/4, Oct. 1, 1975	13,000,000	101.02	100.63	99.84	2.70	2.76	21.1	Oct. 24, 1945	Aa
VEP	Virginia Electric and Power Company	First & Ref. 2-3/4, E, Mar. 1, 1975	59,000,000	101.50	100.82	100.32	2.68	2.73	19.8	May 2, 1945	Aa
WLT	Western Light & Telephone Co., Inc.	First 3, A, July 1, 1975	6,200,000	101.95	101.10	99.85	2.90	3.01	20.8	Sept. 6, 1945	A

Data from offering prospectus unless otherwise indicated:

- (a) Expenses estimated, per prospectus. In a few instances expenses are arbitrarily apportioned among two or more issues sold simultaneously.
- (b) Provisional as at time of issue.
- (c) Adjusted to reflect effect of Federal income taxation on the basis of the Revenue Act of 1945.
- (d) Per 1945 report, adjusted. Results assumed to have been anticipated by investors.
- (e) Not available.
- (f) An additional \$1,000,000 of this issue was sold privately at the same time.
- (g) Data from Moody's Public Utilities - Prospectus not available.

## Schedule 9

Cumulative Preferred Stock Issues  
of Electric and Electric Combination Utility Corporations  
Offered Publicly During the Period April 1, 1945 to March 31, 1946

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Symbol	Name of Issuer	Rate and Series	Par Value	Number of Shares Issued	Price to Public per Share	Proceeds to Issuer per Share		Current Yield at Sale Price	Cost Rate Corresponding to Net Proceeds	Per Cent. of Adjusted Gross Income required for Equal and Senior Issues (c)	Date of Offering
A2P	Arizona Power Company (b)	5%	\$100	12,000	101.00	(a)	(a)	4.9%	(a)	51.8%	Aug. 29, 1945
BNE	Buffalo Niagara Electric Corporation	3.60%	100	350,000	102.85	101.42	101.05	3.50	3.56%	39.2	Jan. 10, 1946
CIF	Central Illinois Electric and Gas Company	\$4.10, A	100	30,000	102.00	100.09	99.52	4.02	4.12	30.9	Apr. 19, 1945
CNY	Central New York Power Corporation	3.40%	100	200,000	101.50	100.15	99.62	3.35	3.41	36.8	Mar. 21, 1946
CNR	Central Power and Light Company	4%	100	100,000	102.75	101.15	(e)	3.89	(e)	39.3	Dec. 21, 1945
CCJ	Cincinnati Gas & Electric Company (The)	4%	100	270,000	106.00	104.28	104.01	3.77	3.85	35.6	Oct. 18, 1945
IDP	Idaho Power Company	4%	100	39,413	105.50	104.00	103.50	3.79	3.86	43.4	July 19, 1945
ICR	Iowa Power & Light Company	3.80%	100	50,000	101.50	99.76	97.96	3.25	3.37	32.3	Feb. 19, 1946
MNP	Monongahela Power Company	4.40%	100	90,000	103.50	101.03	100.53	4.25	4.33	36.2	Aug. 24, 1945
NYR	New York Power and Light Corporation	3.90%	100	240,000	104.00	102.30	101.89	3.75	3.83	32.5	May 10, 1945
PTD	Potomac Edison Company (b)	3.60%	100	63,784	101.75	(e)	(e)	3.55	(e)	26.9(d)	Jan. 18, 1946
QOK	Public Service Company of Oklahoma	4%	100	98,500(a)	102.75	101.20	100.95	3.89	3.96	31.1	Oct. 19, 1945
SLJ	Sioux City Gas and Electric Company	3.90%	100	38,000	102.00	100.28	99.69	3.82	3.91	37.6	Dec. 12, 1945
SWE	Southwestern Electric Service Company	4.40%	100	10,150	103.00	100.77	(e)	4.27	(e)	35.3	Aug. 29, 1945
UEM	Union Electric Company of Missouri	\$3.70	None	40,000	101.75	100.55	99.90	3.64	3.70	34.2	Oct. 24, 1945

Data from offering prospectus unless otherwise noted:

- (a) Subject to prior exchange with holders of previously outstanding issues.
- (b) Data from Moody's Public Utilities - prospectus not available.
- (c) Adjusted to reflect effect of Federal income taxation on the basis of the Revenue Act of 1945.
- (d) Per 1945 report, adjusted. Results assumed to have been anticipated by investors.
- (e) Not available.